

## PORTFOLIO HOLDER DECISION NOTICE

# INDIVIDUAL DECISION BY THE PORTFOLIO HOLDER FOR TRANSPORT AND PROFESSIONAL SERVICES

## TOPIC – WINCHESTER CAR CLUB

## **PROCEDURAL INFORMATION**

The Access to Information Procedure Rules – Part 4, Section 22 of the Council's Constitution provides for a decision to be made by an individual member of Cabinet.

In accordance with the Procedure Rules, the Head of Legal and Democratic Services, the Chief Executive and the Head of Finance are consulted together with Chairman and Vice Chairman of The Overview and Scrutiny Committee and any other relevant overview and scrutiny committee. In addition, all Members are notified.

If five or more Members from those informed so request, the Leader may require the matter to be referred to Cabinet for determination.

## Contact Officers:

<u>Case Officer:</u> Kate Cloud, Head of Economy and Arts, 01962 848 563, <u>kcloud@winchester.gov.uk</u>

<u>Democratic Services Officer</u>: Nancy Graham, 01962 848 235, ngraham@winchester.gov.uk

#### <u>SUMMARY</u>

Officers have been considering whether a car club should operate in Winchester city centre. This would require some financial support and officer time in order to be successful. A car club is a system of hiring out a car for an hourly rate, and they are successful in many UK cities including Oxford, Bristol and Southampton.

A car club offers two main benefits to the local area including;

- Access for residents, businesses and visitors to modern, well maintained cars without the overheads of car ownership such as road tax, MOT and the depreciation of the car;
- A proven mechanism to help reduce the environmental impact of private car use, as car ownership can be reduced, and commuters have access to a car for work but can still use public transport to get from home to their place of work.

An independent view of the benefits of car clubs, including case studies from other cities, is available at <u>http://www.carplus.org.uk/what-is-shared-mobility/car-sharing-clubs/responding-to-policy-objectives/</u>

In 2007, Winchester City Council authorised Whizzgo to set up a car club in Winchester. Unfortunately, after only six months Whizzgo UK Ltd went into administration and was taken over by a new company. That company sought to rationalise its portfolio of operating locations to those which were profitable. Due to the infancy of the Winchester scheme, this operation ceased. This was disappointing as early feedback from Whizzgo indicated use of the scheme by the residential population was in line with their targets. However, they were hoping for greater business take up. Any new car club scheme in Winchester will target the business community, and Winchester BID has been closely involved with the developing ideas to ensure it meets the needs of local businesses.

Three car club operators have been in discussion with officers about starting a car club in Winchester. These are <u>Co-Wheels</u>, <u>Enterprise</u> and <u>Zip Car</u>. Each provider offers a similar overall operation of providing a number of cars which customers can hire on an hourly basis. The details of each scheme are different, however, and each has its pros and cons. Officers are currently considering each of these offers to identify which would be of greatest benefit to Winchester.

In each scheme, the car club operator will provide the cars, maintain them and operate the scheme with customers. The Council's role will be to mark out 'car club' bays in the relevant car parks, and install signs (these can be reused from the Whizzgo scheme with only minor amendments). The Council would also help to publicise the scheme, and work with business groups such a Winchester BID to encourage businesses to sign up to the scheme.

Car club cars would be strategically placed in the city to ensure wide access to the cars, but to have each in close enough proximity that should one not be available, the customer can easily access an alternative. The possible car parks Winchester City Council would put forward are a selection from Colebrook Street, Jewry Street, Gladstone Street, Cossack Lane or St Peters. Each space given over to the use of a car club would not be producing an income for the Council. The income achieved would normally be estimated as £2,500 per space per annum, assuming a continued trend of car parks being almost at capacity. It is suggested three spaces are provided by Winchester City Council initially, although these may be supplemented by the car club should they make alternative arrangements for additional cars which are not located on Winchester City Council owned land. Given the overall annual income from parking charges of approximately £5.5million (based on 2015/16 figures), it is considered that the income reduction resulting from the use of three spaces would be insignificant and justified given the likely benefits of hosting a car club in the city. Furthermore, the occupation of three spaces would not materially impact upon parking capacity and could even encourage lower car ownership/usage. Should such a scheme prove popular, officers would then consider whether to dedicate further spaces to a car club scheme in due course.

Winchester City Council would request the car club operator to provide hybrid vehicles, so increasing the positive impact on the environment. This would, however, come with increased costs as the Council would need to supply the charging points. This would cost approximately £2,000 per charging point depending on the proximity to a suitable power supply, and any ground works required. Winchester City Council, the Council would bear the cost of the electricity used for the first two years, after which this would be reviewed. The cost of the charging points would be covered by the existing parking Major Works Budget 2017/18.

Tunbridge Wells has produced a case study of the car club they set up in 2014, which is of a similar size to that being proposed for Winchester. An extract from the case study is as follows:

"The publicly accessible car club launched in September 2014 in Tunbridge Wells with two vehicles located on Mount Pleasant Road near the train station and opposite the Town Hall. In May 2015, a fully electric Nissan Leaf (EV) was introduced on a temporary basis as a third car club vehicle to alleviate demand for the existing cars.

Feedback received from the Tunbridge Wells car club members through an online survey undertaken in April 2015 confirmed that 30% of the respondents had decreased their average car mileage after joining the car club; 100% of respondents used more public transport, 50% were lift sharing more and 35% were walking more.

The car club supports the actions as set out in the Tunbridge Wells Borough Council adopted Air Quality Action Plan 2010 and the Borough Council Transport Strategy 2014-2026 and is also recognised as a national measure to support reductions in transport emissions, (Low Emission Strategy 2010 – Department for Environment and Rural Affairs)"

In order to determine the most suitable operator of a car club in Winchester, proposals will be sought from up to three operators. These would be assessed against criteria including the cost to the user, customer care, and the sustainable credentials of the scheme alongside other factors. The operator with the best value solution would be instructed to commence operation of a car club with the Council's support. This is in line with the Council's procurement policies, given the anticipated cost of the scheme to the Council.

A car club would meet objectives in both the 'High Quality Environment' and 'Prosperous Economy' aims of the Community Strategy.

## DECISION

- 1. That up to three car parking spaces be allocated for car club operation initially at an estimated loss of income of up to £7,500 per annum in total, and a set up cost of electric vehicle charging points of £6,000.
- 2. That authority be delegated to the Head of Parking and CCTV, in consultation with the Head of Economy and Arts, to determine and implement the selection process to decide which car club operator Winchester City Council will support in Winchester City centre, and also to determine the details of the scheme including the location of the parking bays.

## REASON FOR THE DECISION AND OTHER ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

There is a clear demand on Winchester City Council to lead the way in reducing the District's carbon footprint. By enabling a car club to locate in the city, the Council is supporting another method of transport which it is hoped will encourage people to travel by means other than the private car. A car club can help to reduce car miles travelled as commuters are more confident in using public transport to get to work, knowing that a car will be available to them for work purposes should they require it.

A car club can also help reduce demand on car parking spaces as fewer private vehicles will be brought into the city by commuters.

Reduced private car usage may also result as residents of Winchester who currently have their own car, which they use infrequently, will instead be able to rely on a car club vehicle on the few occasions they need to travel and public transport is unsuitable for their journey.

Lastly, car clubs provide a viable alternative to businesses whose staff need to use cars to visit clients or for other purposes. They can reduce a business's overheads, especially when only short journeys are required, and help businesses to consider whether a trip is really needed, or if it can be combined with another journey for efficiency measures.

Parking provision in Winchester is a regular issue raised by business groups with the Council, especially during the Christmas season where there is very high numbers of visitors. A range of measures are being planned this year to deal with such peaks in demand including increased park and ride services, alternative Council staff parking and spreading key events out across the season. A car club would make a modest contribution to such measures, but on an ongoing basis. If successful to begin with, further car club vehicles may come into operation.

A further alternative is to take no action, and the status quo would remain.

## **RESOURCE IMPLICATIONS:**

Operators of the car club take on the major costs of the vehicles and publicity of the scheme. Winchester City Council would be responsible for the modest costs of painting the car club spaces and erecting a sign to make the spaces obvious to car club customers, and be responsible for the enforcement of parking restrictions in relation to car club spaces.

Each space given over to the use of a car club would no longer be producing an income for the Council. This is estimated to be £2,500 per space per annum. If three spaces were dedicated to a car club, this would be mean lost income to the Council of around £7,500 per annum. Additionally the cost of charging points would be in the region of £2,000 each, depending on the proximity to a suitable power supply, and any ground works required. For three cars, this would be around £6,000. Officer time would also be required to monitor the scheme and support marketing materials especially publicising to the business community. These costs to the Council need to be balanced against the potential environmental and other benefits referred to above and given the overall annual income from parking charges of approximately £5.5million, it is considered that the reduction resulting from the use of three spaces would be insignificant and justified given the likely benefits of hosting a car club in the city.

Some operators may consider a profit sharing scheme once the car club was fully operational with good levels of use. Such schemes will form part of the decision making process for choosing a car club operator, to ensure it provides best value for money for Winchester City Council.

## **CONSULTATION UNDERTAKEN ON THE DECISION**

Winchester BID has been involved in discussions to date, representing the voice of the city centre businesses. A short survey was undertaken of their members, and although the response rate was low, those who responded were positive towards the idea of a car club. The BID supports the scheme, and would be in a position to help publicise the it to the business community.

Such a scheme has also met with a positive reaction from Winnall Business Forum.

#### FURTHER ALTERNATIVE OPTIONS CONSIDERED AND REJECTED FOLLOWING PUBLICATION OF THE DRAFT PORTFOLIO HOLDER DECISION NOTICE

#### ULEVs

In response to a question regarding ensuring a car club operator worked in line with the emerging Air Quality Action Plan considered at Cabinet on 7 December, officers have considered the use of ULEVs (Ultra Low Emission Vehicles). This may be a mixture of hybrid and fully electric vehicles. Fully electric vehicles can cause 'range anxiety' in potential users who do not fully understand electric vehicle technology, which may then discourage them from using the cars. However, the technology regarding fully electric vehicles is constantly improving, meaning fully electric vehicles are increasing in range as new models come onto the market. The Head of Parking and CCTV will alert operators to the preference to use ULEVs, but will consider alternatives if justification is provided.

#### Electric car charging points

Cllr Learney showed support for the idea, and asked whether consideration had been given to the provision of charging points for other car park users as well as car Club vehicles?

Two car charging points are currently available in Chesil Street Multi Story car park, Park and Ride (south) and at weekends only, in Guildhall Yard. More information is available at <u>http://www.winchester.gov.uk/parking/vehicle-parking/</u> Officers regularly review the need for further infrastructure, and have also considered this as part of the review of the Car Parking Strategy.

#### Bike hire schemes

Cllr Burns showed support for the idea, and asked if air quality might be improved further by installing racks of bikes for hire, similar to London's 'Boris Bikes' scheme.

There is an existing 'Bikeabout' scheme with 10 bikes available for hire, administered via the Tourist information Centre and the Winchester Shopmobility scheme. More information is available at <a href="http://www.winchester.gov.uk/roads-highways/cycling-and-cycle-routes/bikeabout/">http://www.winchester.gov.uk/roads-highways/cycling-and-cycle-routes/bikeabout/</a> The scheme has resulted in 71 hires for the current year to date, and is promoted online and via leaflets in the Tourist Information Centre and information points around the city.

## Project monitoring

Cllr Weston asked how the project would be monitored in terms of use and income.

The scheme would be run and monitored by the operator. Officers would require regular reporting from the operator in order to understand demand, focus marketing activities, and ensure the scheme was overall value for money. Should a profit sharing arrangement be in place, this would be monitored alongside usage of the scheme.

#### Publicity and policy

Cllr Evans showed support for the scheme and concern that the previous scheme was not publicised well enough. She asked that the scheme be targeted at residents as well as businesses. In addition, she asked that the Council consider a 'no parking

spaces' policy in sustainable developments in town, citing a car club as a potential possibility.

The previous scheme run by Whizzgo failed because the company went into administration. A significant amount of assistance was given from Winchester City Council in terms of publicising the scheme. Nevertheless, officers fully understand the need to publicise any new scheme effectively to help ensure its success, and a marketing plan would be required by an operator as part of the procurement process. The scheme will be available to both business users and residents and support from the Winchester BID would also help to promote its use by local businesses. However, it is felt that a strong employer-led demand will help ensure the success of the scheme, resulting in a strong effort to bring business users on board.

Matters concerning the level of parking provision included in new developments within the town centre is a planning policy issue.

The policy position has been the same for the last seven years as set out in the adopted Car Parking Standards SPD <u>http://www.winchester.gov.uk/planning-policy/supplementary-planning-documents--spds-/car-parking-standards-supplementary-planning-docum/</u> In essence the policy for Winchester is very flexible (Policy 7) and states the following:

"In the Winchester Town Controlled Parking Zone, as an area of high accessibility, car parking may be provided to a lower standard than elsewhere in the district. Each development will be negotiated on an individual basis."

It is therefore possible for development in this location to have very low levels of provision, or no parking provided on site at all, but it is not a requirement. There have been developments built in the city centre without on-site parking but the policy does not stipulate this has to be the case. In line with national policy direction, Winchester City Council has tended to move away from prescriptive policies which seek to impose a maximum car parking standard. There is no plan to change the policy at the present time.

#### DECLARATION OF INTERESTS BY THE DECISION MAKER OR A MEMBER OR OFFICER CONSULTED

Cllr Kelsie Learney, as her husband owns a plug-in hybrid.

## DISPENSATION GRANTED BY THE STANDARDS COMMITTEE

n/a

Approved by: (signature)

Date of Decision: 22.12.16

**Councillor James Byrnes – Portfolio Holder for Transport and Professional Services** 

## APPENDICES:

None.